

A SUSTAINABLE DEVELOPMENT STRATEGY FOR MALTA CONCLUDING CONSULTATION CONFERENCE

Mediterranean Conference Centre, Valletta, Malta
22 April 2006

Introduction

The concluding consultation conference in preparation of a Sustainable Development Strategy for Malta was held at the Mediterranean Conference Centre, Valletta on 22 April 2006. The conference was very well attended, and participants included representatives of NGOs, government departments, business organizations, and other civil society groups.

The programme consisted of an introductory speech by the Hon Prime Minister Lawrence Gonzi, a keynote speech by Mr Matthew Quinn – Director of the Welsh Assembly Government, Strategic Policy Unit, four panel sessions on different “sustainable development” themes, and a concluding session with a speech by the Hon George Pullicino. The conference was chaired by Professor Lino Briguglio.



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Speech by the Prime Minister, Hon. Dr Lawrence Gonzi

During his speech, the Prime Minister, Hon. Dr Lawrence Gonzi,¹ stressed the importance of the sustainable development conference which concluded the consultative process for sustainable development in Malta. He pointed out that the participation of the general public is required before the final version of the sustainable development strategy is written. He also noted that the strategy document is the first of its kind and is considered as a political guide while also emphasizing that there ought to be continuous evaluation.

The Prime Minister outlined the advantages of this strategy and said that the document is essential to the public and private sectors. The document is a guide for the decisions that need to be taken leading to a national consensus for Malta’s sustainable development strategy. The Prime Minister said that priorities ought to be established and also mentioned the creation of participative schemes and educational experiences.

He said that the implementation of the plans should be based on strategic development by taking into account the environmental, economic and social factors. These aspects should not be seen separately but as a whole.

¹ Full text of speech available at <http://www.gov.mt/frame.asp?l=1&url=http://www.doi.gov.mt>

The Prime Minister also pointed out that sustainable development ought to be seen from a long-term perspective with the aim of improving the quality of life for current and future generations. This is brought about if there is respect for the environment.

Malta is a small island state with a very high population density. The Prime Minister referred to the IPCC which states that small states are hit negatively due to climate change. Another problem faced by small states is waste management. The Prime Minister said that a strategy for waste management will be published and will be available for public consultation.

Other aspects mentioned by the Prime Minister were the management of water resources and the conservation of our coasts.

With regards to economies of scale there are major challenges for small island states. The Prime Minister emphasized the point that there ought to be certain changes for a balance to be reached.



The Hon Prime Minister Lawrence Gonzi delivering his speech, with (left) the Hon George Pullicino

He concluded his speech by saying that sustainable development is based on different dimensions, and not only environmental concerns. This can only be done by the full participation of all citizens so as to ensure that the decisions taken are based on solid foundations. Changes may prove difficult but with the participation of civil society the difficulties are minimized.

At the end of his speech the Prime Minister thanked all those involved in the draft of this strategy as well as those who were participating during the conference.

Mr Matthew Quinn – Director of the Welsh Assembly Government, Strategic Policy Unit

In his presentation entitled 'Putting Sustainable Development at the Heart of Policy', Mr Quinn said that the sustainable development strategy is a journey of discovery. He pointed out a number of common interests for Wales and Malta, namely that they are both small and ancient nations, they have their own language and a distinct heritage, they have a new political context and opportunities and that they both have a deep sense of social, cultural and economic links.

Sustainable Development, as Mr Quinn put it, is 'the duty of a nation and has to be addressed by all'. He mentioned the EU Treaty and the Sustainable Development Strategy that will be launched by the Austrian Presidency. Mr Quinn strongly advocated the need to address and tackle certain aspects vital to our future. These include issues related to climate change, consumption and water, international equity and cultural diversity. He pointed out that we need a radical change due to the fact that we are living beyond our means and that the quicker this radical change is brought about the more competitive the nation will be. In this respect the government's challenge is to make sustainable development the aim of policy. For

this to happen the various ministries, departments and agencies ought to create a common purpose so that all citizens will realize the need to act.



Mr Matthew Quinn (first from right) preparing to deliver his speech. From left to right: Minister George Pullicino, Prime Minister Lawrence Gonzi and Professor Lino Briguglio (who chaired the conference).

Mr Quinn identified a number of challenges faced by society. These include rethinking the future of the economy, rethinking the use of land and the use of transport and adapting to the future and the radical changes that need to be brought into effect.

The keynote speaker put forward a number of proposals that are crucial for an effective sustainable development strategy. He suggested among other ideas the need for spatial planning which includes advocacy of sustainability accessibility, the promotion of a sustainable economy, the building of sustainable communities, and the importance of valuing the environment.

Mr Quinn stressed the need for a policy gateway and gave the example of Wales where all departments come together in a workshop to discuss policy issues and whether they are contributing to the goals set vis-à-vis sustainable development. The workshop is a dialogue and consultation of what is to be achieved.

Mr Quinn spoke of the ecological footprint, an aspect that can help towards sustainable development. In this case there ought to be an analysis of the drivers of sustainability. He then noted the legal duty and said that in the case of Wales there is a sustainable development scheme and action plans which are renewed every four years.

Mr Quinn then pointed out the importance of networking and suggested that this can be done by different states working together and mentioned the Sustainable European Region Network and The Network of Regional Governments for Sustainable Development-nrg4SD as points of reference.

Panel 1 – Fostering Economic Development and Promoting Employment

Chairperson: Prof. Lino Briguglio
Growth and Sustainable Development: Mr. Gordon Cordina
Competitiveness: Ms. Nadia Farrugia
Public Finance and Sustainable Development: Prof. E. Scicluna
Science and Technology- Mr. Eric Flask

Professor Lino Briguglio commenced the session by giving a brief overview of the document on the strategy for sustainable development in Malta. Sustainable development rests on the three equally important pillars of economic development, environment and social cohesion. Prof. Briguglio emphasised the point that we must adopt an ethical view to sustainable development, one that is responsible to future generations. Moreover, in order to increase the quality of life, sustainable development must be seen from a long term perspective.

Indeed the end objective of economic activity should be to promote improvement in the quality of life.

Mr. Gordon Cordina delivered a presentation on economic growth and sustainable development followed by a presentation by Ms. Nadia Farrugia on competitiveness. They both stressed the point that one of our major long term economic challenges is to step up productivity so as to increase our competitiveness, an issue which is of extreme importance in today's globalised and highly dynamic environment. Indeed as pointed out by Ms. Farrugia, competitiveness is a means of increasing economic performance but on a sustainable basis. Another issue highlighted by Mr. Cordina is the pressure on the environment on account of economic development. In fact Mr. Cordina stressed the point that the environment is one of the backbones of the economy which needs to be sustainable in itself for economic development to be achieved. Mr. Cordina emphasised the point that we must be responsible and live within our means so that we neither exploit the environment nor our social fabric. We must increase our economic growth if we are to converge to EU levels, but we simply cannot do this by exploiting the environment in which we live in. Indeed we must create an economy that is inclusive of the environment as well as our social obligations. Mr. Cordina stated that in the long term we must identify those priority areas which have a positive effect on sustainable development, a point which was further emphasised by other participants during the conference. Ms. Farrugia also pointed out that in order to have competitiveness sustainable on a long term basis, social and environmental considerations must be taken into account, even if in the short-run there may be some conflicts. A further point mentioned by Mr. Cordina is the need for a flexible and well trained labour force. A labour force that is able to adapt to changing international demands.

Professor E. Scicluna assessed sustainable development in terms of the government's finances, in particular expenditure. Government contributes significantly in the economy. Government is the largest consumer, importer, investor and employer in the country. Indeed, through its functions in the economy, government has an important role to play in sustainable development and should in fact lead by example. In fact, Ms. M. Briguglio in her intervention indicated that in this respect, the Green Public Procurement should encourage government to start thinking green. Ms. Briguglio also pointed out that the objectives set out in the Environmental Technology Action Plan should also be considered as indicators for the sustainable development document. Prof. E. Scicluna also emphasised the important role of regulation but stressed on the need for regulation to be efficient and effective. If the costs related to regulation are higher than the benefits, then one should question whether regulation is effective. This point was also reiterated by Mr. G. Cordina who stated that regulation is important and that it should assist business' in moving forward. Consequently a delicate balance needs to be achieved, one that is effective but conducive towards growth.

The final presentation in the first panel session was delivered by Mr. Eric Flask who stressed on the need for research and development, innovation and knowledge for sustainable development. Mr. Flask stressed on the need for innovation to drive competitiveness. Moreover, Mr. Flask also identified the need for small medium enterprises to participate in research and development and innovation. They too have an important role to play. There are a number of funds which are available in research and development but there needs to be more awareness on these funds. Moreover he also stressed that there is a need for University to take a more active role in research and development.

Panel 2 – Protecting the Environment

Chairperson: Dr. Godwin Cassar
Nature and Biodiversity: Ms. Carmen Mifsud
Waste: Prof. Victor Axiak
Energy and Transport: Dr. Maria Attard
Coastal Zone Management - Ms. Michelle Borg

The environment is essential to strong economic growth and a good quality of life. This is particularly important for a small island which has a high population density and lacks of economies of scale. The National Sustainable Development Strategy (NSDS) provides the required synergy for environment protection. The main points emerging from the panel themes were as follows:

Dr. Godwin Cassar, who chaired the session, opened the panel by outlining the environmental issues in the strategy which deals with climate change, air quality, biodiversity, water, land use and transport.

Dr. Maria Attard outlined the current transport situation, where in recent years there has been an increase in private car ownership levels, and a reduction in the use of public transport. This situation is leading to increased traffic congestion and pollution. The NSDS therefore emphasizes that this trend must be reversed by reducing the dependence on private cars through the implementation of a road strategy for Malta. The NSDS also suggests that remedial action must be taken to control emissions of air pollutants from Malta's road vehicles and to achieve compliance with EU standards

Prof. Victor Axiak indicated that waste generation is increasing at a fast rate; in fact between 1996 and 2004 Malta had increased the amount of waste by around 50 per cent. Progress has been registered in waste management, such as the closure of the Maghtab and Qortin landfills, the new engineered landfills and bring-in sites. However liquid waste, hazardous waste and construction and demolition waste remain a problem. The main strategic direction in the NSDS indicates that Malta's Waste Management Strategy should be reviewed by 2007 together with investment for the required facilities.

During her presentation on coastal zone management, Ms. Michelle Borg indicated that there are various conflicting uses within Malta's coastal zone. Therefore the NSDS is putting forward measures to minimise negative impacts on natural resources. These measures require coordination and policy integration between various sectors and depend on an administrative framework that enables implementation.

With respect to biodiversity, Malta is rich in species, most of which are endemic. Ms. Carmen Mifsud in her presentation, indicated that human over exploitation, illegal and incidental capture, land development and lack of public awareness is leading to habitat loss. Therefore there is urgent need for conservation by means of monitoring, implementation and enforcement. The NSDS has proposed measures to achieve the management of protected areas by 2008 and to put an end to the loss of Malta's biodiversity by 2010.

In synthesis, the panel discussions indicated that in the environmental sector there is the need for:

1. More research, in particular on environmental technologies;
2. Policy Integration, for example for improved air quality there needs to be a synergy between environmental, transport and health policy; and
3. Better coordination between existing entities to ensure implementation of the measures outlined in the NSDS.

Some participants suggested that in the NSDS there should be reference to a fuels' policy, Malta's strategy on the demand and supply of energy, public accessibility of land and liberalization of public transport.

Panel 3 – Sustaining Social Cohesion

Chairperson: Dr. Frances Camilleri-Cassar
Education for Sustainable Development: Dr. Paul Pace

Health Issues: Dr. Natasha Azzopardi Muscat
Gender Issues: Ms. Grace Attard
Social Inclusion: Dr. Marisa Scerri

Dr. Frances Camilleri Cassar commenced the session on sustaining social cohesion by highlighting the changing times that lie ahead of Malta. A number of important points related to social cohesion were mentioned in the opening speech by the Chairperson offering food for thought for the participants. Among the issues raised, Dr. Camilleri Cassar stressed the importance of assessing why the number of early school leavers in Malta is particularly high. We seem to be faced with a paradoxical situation with a compulsory school leaving age that runs parallel to educational underachievement and high illiteracy among young people. This point was further stressed by Dr. Paul Pace who delivered a presentation on education for sustainable development. Dr. Pace stated that there are two levels of basic education – a survival kit based on reading, writing and arithmetic as well as education as an empowering tool. Dr. Pace also stated that there is a difference in the definition of early school leavers between the local and EU definition. The sustainable development strategy document will take this into consideration. Dr. Pace also indicated that our educational system is very selective especially at an early age thus limiting the number of opportunities for students. In addition, Dr. Pace stated that it is vital to address all levels of the formal education system. This calls for a curricula that is reflective of the current as well as future sustainability needs of society. An assessment needs to be made on how the curricula is being thought, whereby the departure point of this assessment is the individual and not the structure of the system. There is also the need for a national policy on education, one that is integrated, within a continuous framework particularly since at present there are a number of loopholes between the different levels of education. Dr. Pace also stressed the importance of recognising that education is important for all, including adults.

Dr. Camilleri Cassar also stated that in terms of health, sexual and reproductive health and rights are increasingly dwarfed by other agendas on sustainable health such as obesity, mental health, elderly and other related issues. In fact, Dr. Camilleri Cassar identified the fact that it rarely mentioned that eradicating social poverty cannot be achieved if sexual and reproductive health are not addressed. The issue of health and sustainable development were tackled by Dr. Natasha Azzopardi Muscat who stated that we are used to seeing health as an outcome but in reality expenditure on health is an investment, one that is necessary to reach sustainable development. Good health is a key element for achieving a good quality of life and for fostering wealth, but we must also consider ways of how to maintain our health standard. We must adopt a wider perspective one that includes the social and physical aspects of promoting health. Dr. Azzopardi Muscat also stated that we are faced with a number of economic challenges, in particular the amount of funds that are available for health, which are not only required to maintain the standard but also to increase it over the longer term. Dr. Azzopardi Muscat also listed the challenges for the health sector such as the increase in demand for services by the elderly. She also presented proposed solutions such as conducting health impact assessments and an open dialogue on how we are to plan health in the future. Dr. Azzopardi Muscat also stressed the importance of setting out a strategy so as to reorient services to deal with the problems upstream. In conclusion, Dr. Azzopardi Muscat also stated that it is not only government's responsibility but that every individual should also be responsible enough to maintain a healthy lifestyle.

Another important issue accentuated in the panel session on social cohesion was the issue on gender equality. This point was initially highlighted by Dr. Camilleri Cassar in the introduction, who stated that the reconciliation of work and family life is a fundamental principle of EU activity. This implies placing the gendered distribution of work and care firmly on the social policy agenda. The absence of an employment record is a key risk factor to social exclusion and poverty, particularly for women, and where old age pension depends on work record. This particular point was also stressed by Ms. Grace Attard who delivered a presentation on gender issues. Ms. Attard stated that it is important to note that when debating gender equality, we are not only taking into consideration the female proportion of the population

but also the male. Ms. Attard indicated that we cannot look at the issue within a local context but we must consider it from a wider perspective particularly in light of the Lisbon Agenda and issues related to competitiveness and globalisation. Moreover, Ms. Attard also mentioned a number of important issues such as the lack of female entrepreneurship, gender equality and social protection, women and research and development, day care facilities, provision of after school agencies, education and life long training which are fundamental issues that must be tackled in light of sustainable development and social cohesion. The rise of the lone parent family is one factor that is increasing and is widely held to be responsible for child poverty. This issue was also mentioned by Dr. Camilleri Cassar in the introduction to the session. Ms. Attard commended the Act to promote equality but also stated that we still have a long way to go. In particular, both Ms. Attard and Dr. Camilleri Cassar identified the need for relevant statistical indicators. In fact, Dr. Camilleri Cassar indicated that official indicators often rely on 'the household' or the 'family; as a measuring device of poverty without taking into consideration the gender of those in the 'household'. In fact, Malta's social security system still makes assumptions about family norms and gender roles that are based on traditional norms with the male as the bread winner of the family.

The final presentation, delivered by Dr. Marisa Scerri, was based on social inclusion. Dr. Scerri stated that the social aspect is not usually associated with development and that we must first identify our weak points before attempting to eradicate social poverty. Dr. Scerri highlighted the difference between social inclusion and social cohesion which are treated differently but in a complementary manner in the strategy for sustainable development for Malta. She stated that among the key issues which impinge on sustainable development are issues related to older persons, gender equality, immigrants and affordable housing. Older persons have the potential to contribute to the overall economic activity, but this seems to be an issue which is currently being side stepped. Another issue which needs to be tackled is the issue of immigrants. Immigrants are not only consumers of our natural resources but, if utilised, they can also increase our labour supply. In fact, Dr. Camilleri Cassar indicated that a number of OECD countries have recognised this issue. In terms of affordable housing, Dr Scerri questioned whether high property prices are sustainable in the future given the level of household income in Malta. In addition, Dr. Scerri also stated that the document includes the contribution of unions, but there are a number of entities which can also contribute to sustainable development. In conclusion, Dr. Scerri stated that in order to embrace the issues of sustainable development we first need to adjust the way we think and behave to the challenges that are presented to us.

Panel 4: Cross Cutting Issues and Implementation of the Strategy

Chairperson: Dr. Marguerite Camilleri
Gozo: Mr. Joseph Portelli
Implementation: Mr. Martin Scicluna
Indicators and Monitoring: Arch. Kevin Gatt
Economic Instruments: Ms. Marie Briguglio

Cross-cutting themes are those issues that are directly relevant for all three pillars of sustainable development. Addressing these issues will help ensure an integrated approach to the implementation of the Strategy. A clear strategy to ensure effective implementation is also important.

The panel was chaired by Dr. Marguerite Camilleri who introduced the session by briefly describing the cross-cutting strategic issues identified in the Strategy. Panel 4 was also focused on the implementation of the Strategy.

Mr. Joseph Portelli, from the Ministry for Gozo, stated that the Strategy should recognise specific challenges unique to **Gozo** that should be addressed through specific policies for Gozo. Mr. Portelli then discussed challenges faced by different sectors and put forward a

number of recommendations about how to tackle these issues including waste management, pressures on the coast, traffic problems and pressures on groundwater.

Mr. Martin Scicluna from Din l-Art Helwa focused on the issue of implementation of the Strategy and stated that Malta does not have a good track record in this area. Mr. Scicluna commented that the target for the Spatial Development Plan, i.e.2010, is too far into the future as this tool is required now. Mr. Scicluna highlighted the importance of ensuring that adequate resources are invested in the institutional set up of the Strategy. He stated that currently there is no institutional set up to implement the Strategy and that the draft NSDS does not propose it before 2008. The proposal that one person would be responsible for the Strategy with an additional person to help in terms of administration is not sufficient. Mr. Scicluna concluded that for effective implementation political will, adequate human resources and leadership are essential.

Mr. Kevin Gatt, MEU, discussed indicators and monitoring and described his experience with the European Sustainable Development Strategy. He stated that Malta's Strategy should be in synergy with the European Strategy. Mr. Gatt stated that the type of monitoring required should be standard throughout all Member States. The European Sustainable Development Network will soon be set up and this will facilitate standardisation. Mr. Gatt described the type of indicators that can be used including headline, general and specific and that these should be selected according to proportionality, superposition and time variance factors.

Ms. Marie Briguglio, MEPA, discussed the use of economic instruments to promote sustainable development. Ms. Briguglio explained that the philosophy behind the use of economic instruments is to tax harmful activities and remove harmful subsidies. Economic instruments implement the Polluter Pays Principle by internalising negative externalities. Examples of economic instruments include environmental charges, taxes, emissions trading, subsidies, deposit refund schemes. Ms. Briguglio stated that the aim of economic instruments should be indicated clearly in the NSDS. Ms. Briguglio proposed a number of recommendations for changes to the NSDS including:

- A strategy on the use of economic instruments is required;
- Recognition that harmful subsidies should be removed;
- Malta should not aim to reach the EU average; and
- The possibility of raising revenue from economic instruments should not be seen as a target in itself but possibly as an option in using the revenue generated from economic instruments to reduce direct taxes such as income tax.

Closing Session - Plenary Discussion

The main issues raised during the plenary discussion were the following:

The draft strategy document

- there seems to be little or no reference to:
 - fisheries and agriculture;
 - transport relegated to the conventional sort i.e. road transport;
 - transport between Malta and Gozo;
 - land and building use;
 - seasonal flooding in roads;
 - contamination of water;
 - distinction between biodiversity and the marine sector;
 - the setting-up of a committee to provide long-term guidance, based on the Dutch model as suggested by Professor Jeremy Boissevain.

Implementation of the strategy

- rethinking the structure and not the establishment of another authority;
- not a form of policing but a form of incentives;
- strategies adopted should be similar to the EU i.e. having a long-term vision;

- different policies for trade-offs;
- a National Action Plan to be implemented on the same lines as SEPPIO.

The creation of projects related to the strategy

- car free use ought to be encouraged.

Tourism in Malta

- biodiversity ought to be considered as an attraction;
- Malta should be presented as an attraction, special reference to Valletta;
- a degraded environment drives people away from our shores.

MEPA

- violating its own established regulations;
- no concern for safety.

Sustainability of our cultural heritage

- currently being degraded.

Use of funds

- funds to be used to improve the environment;
- transfer of funds (i.e. a better environment would mean less health problems).

Collection of data

- this is lacking;
- no statistical data re health factors depending on the environment.

Construction in Malta

- the need for a balance between construction and the respect of the environment (the need to tackle issues of land use and building use);
- property prices are high due to high standards and expectations;
- the need for affordable housing;
- the issue of empty and unused property;
- the number of permits issued.

Hon. George Pullicino in response to the plenary discussion

Minister Pullicino said that he considers himself a politician and citizen. He stressed the point that at cabinet level he lobbies for the environment but his colleagues have different priorities and interests. It is therefore important to convince the other ministers to allocate added funds for the environment. However, he mentioned that in 2006 Lm40 million were spent on the environment as opposed to Lm 4 million in 1996. The Minister explained that there is a fixed budget for health, education, social policy needs and pensions and that less than 25% is left for other needs. The Minister pointed out that we expect to receive services without paying for them such as health services which are taken for granted.

Minister Pullicino emphasized the importance of collaboration between economists and environmentalists – this would highlight the positive aspects of investing in the environment and the negative aspects of not investing. This would also result in the possibility of quantifying environmental problems.

With regards to the issue of sustainable development, the problem is that politics is immature and that there is constant opposition to government decisions. It is essential to analyse our problems and set the priorities without thinking of personal agendas according to “political colour”. A case in point is the issue of pensions where not all the stakeholders participated. The Minister said that we have to expect accountability from everybody – government and opposition.

The Minister indicated that at times implementation does not occur because we are not mature enough. It is vital that we follow a plan of action. The use of economic instruments is a way forward and in fact there were instances when these were adopted.



Minister Pullicino making a point

The minister stressed the point that courageous decisions were taken to cut down on development in certain areas. This was done by giving permits for redevelopment even despite pressure made on MEPA to have green areas developed. He discussed issues dealing with the impact of construction on citizens, redevelopment as opposed to the development of new areas, property prices and the adoption of an integrated spatial development plan.

With regards to access to information the Minister said that we have limited human resources. However, in the EU there are other countries that did not reach our levels. The Minister praised the MEPA website due to the fact that it is very informative. He said that safety is not the responsibility of MEPA but appealed to MEPA to address resources in areas of the highest priorities.

Minister Pullicino explained that environmental regulation leads to job creation. He quoted Gordon Brown with regards to this issue and said that the same thing happened in the UK. He also referred to the fact that we do not have enough resources for enforcement and that we should prioritise.

Minister Pullicino referred to Mr Quinn's speech when he spoke of a policy gateway and said that implementation ought to be based on set structures. He concluded his closing address by saying that redeployment is the way forward just as suggested by the Chinese Minister of Economics.